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C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 003853

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TAGS: [PGOV](#) [ECON](#) [PHUM](#) [SOCI](#) [CH](#)  
SUBJECT: CHINA'S LEGISLATIVE SESSION TO FOCUS ON ECONOMY;  
CONSENSUS TO SUPPORT BUILDING RURAL AREAS

Classified By: Political Section Internal Unit Chief  
Kin Moy. Reasons 1.6 (b,d).

Summary  
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11. (C) China's annual spring political theater, known locally as "the two meetings," kicks off on March 3 with the opening session of China's leading consultative body followed by the opening of the annual legislative session on March 5. No major personnel changes are expected this year and the focus of discussions will be on the 11th Five-Year Program for the economy in 2006-2010. Scholars and NPC insiders said they do not expect major disagreements to emerge during the meetings, but said differences exist over implementation. As in past years, Beijing's police have been busy detaining activists and petitioners in a bid to minimize the possibility of embarrassing protests. Security and other elaborate measures are part of the careful choreography that will allow the Chinese Government to present a facade of unity and stability to its people and the outside world. End summary.

12. (C) China's National People's Congress, technically the highest organ of state power, will convene its annual legislative session this year on March 5-14. This national political pageant, which runs in parallel with the largely ceremonial Chinese People's Political Consultative Conference (CPPCC) session from March 3-12, is designed by the Chinese Communist Party leadership to confirm and to project popular support for Party decisions and policies. The session agenda, reports and votes are all carefully choreographed and leave little to chance. Nonetheless, the "two meetings" provide an important window on Chinese politics, policy direction and public perceptions of the Government. The nearly 3,000 deputies have begun to stream into the capital from all over China, toting cameras, zooming around in motorcades and flooding hotels and tourist sites.

Focus on Economics  
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13. (C) The focus of this year's legislative session, and the simultaneous CPPCC sessions, will be discussion and approval of the next Five-Year Program for the economy for the years 2006-2010. In addition to highlighting earlier leadership themes of "scientific development" and "harmonious society," Premier Wen Jiabao will make his case for "altering China's economic growth model" to focus on boosting rural areas and improving the quality of growth.

14. (C) Much of the Five-Year Program discussion will be focused on the latest leadership slogan, "Building

a New Socialist Countryside." This idea, which stresses rural infrastructure and public goods, was elaborated in the recently published Number 1 Document (see septel). Experts note that there is broad consensus over the need to give more of the national pie to rural areas. "Everyone recognizes that this is a moral imperative at this stage in China's development," stated rural expert Wen Tiejun.

15. (C) Where disagreements are likely to arise, however, is in discussions of specific funding proposals and the share paid by various levels of government to support Central Government initiatives. Legal scholar and NPC expert Cai Dingjian said closed-door discussions over paying for rural initiatives would likely be "lively." He predicted that differences would be papered over for public consumption, however, and that disagreements over policy implementation would continue in government circles long after the NPC's close. Li Fan, an expert on rural governance and fiscal policies, said he expected few surprises from the NPC session. Although there may be differing opinions on policy, discussions within NPC delegations will remain polite with details to be hashed out later.

#### Leadership Jockeying

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16. (C) There are no important personnel changes on the agenda, according to NPC staffer Cheng Zhiqiang, who said that this year's sessions are viewed as being "fairly routine." With a major Party Congress just over a year away, however, local Party leaders will be

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looking to impress leaders in Beijing. Observers will also be watching to see whether Vice Premier Huang Ju, who has just undergone surgery for an unspecified ailment, puts in an appearance at the sessions. A well-connected contact at Caijing magazine earlier told the Embassy that Huang had cancer but that his prognosis was unknown. Whether Huang is able to return to work or not, it seems certain that the leadership will not move to replace him in the near term.

#### Media Focus

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17. (C) The main highlights for the more than 4,000 foreign journalists who have registered to cover the event will be China's economic targets and policy direction, comments on foreign and domestic policy made by Foreign Minister Li and Premier Wen at their press conferences, comments on the cross-Straits situation, published budget increases in defense spending (increases in excess of ten percent for the past several years) and the new emphasis on rural investment and addressing rural instability. Chinese media will offer relentless coverage of the sessions, steering away from potential controversy and focusing on how deputies are serving the people and representing their concerns. There has already been substantial media coverage of the jump in petitioning to NPC deputies and we expect there will be many more stories about how deputies have worked to address various issues.

#### Security Out in Force

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18. (C) As in past years, security forces are taking preventive measures to ensure that the NPC session unfolds without any major incidents. Petitioners near Beijing's South Train Station were rounded up and

other rights activists held in house arrest to prevent them from making disturbances during the meetings. An estimated 50-70 activists participating in a nationwide rotating hunger strike led by activist attorney Gao Zhisheng have been singled out for particular attention prior to the NPC session. Some activists, including Hu Jia, Qi Zhiyou and Zhao Xin, have disappeared. However, some intellectuals who refused to take part in Gao's hunger strike report that they are at liberty ahead of the NPC meetings for the first time in years. They include house Christian Yu Jie and PEN Center co-chair Liu Xiaobo.

19. (SBU) At a Ministry of Public Security (MPS) news conference March 2, Deputy Director General for Public Security Management Xu Hu finessed a question from a Hong Kong journalist about petitioner arrests. He denied the roundups while adding that the police will nonetheless "persuade" people who have been "idling in Beijing for a long time without a proper job, fixed residence or stable income" to go back to their home provinces. In addition, Xu told journalists that the Beijing Public Security Bureau is beefing up its presence in the city during the NPC timeframe. Official media reported that a special force of some 15,000 police will patrol the capital and be deployed at "key security positions."

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